

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

Page 1 of 2

DOCKET NO.: 2007-1098-IWD-E **TCEQ ID:** RN100660612 **CASE NO.:** 34159**RESPONDENT NAME:** Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input checked="" type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Quest Separation Technologies, located approximately one mile southwest of the intersection of State Highway 146 and Fairmont Parkway in the Bayport Industrial Park, and bordered on the East by the Southern Pacific Railroad, La Porte, Harris County</p> <p>TYPE OF OPERATION: Industrial organic chemical manufacturing facility</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on December 27, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Mr. Samuel Short, Enforcement Division, Enforcement Team 3, (512) 239-5363, MC 149; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. William Sonnier, President/C.E.O., Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc., 12500 Bay Area Boulevard, Pasadena, Texas 77507 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

DOCKET NO.: 2007-1098-IWD-E

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: June 18, 2007</p> <p>Date of NOV/NOE Relating to this Case: July 5, 2007 (NOE)</p> <p>Background Facts: This was a routine records review. One violation was documented.</p> <p>AIR</p> <p>Failure to comply with the permitted effluent limits. Specifically, the total aluminum daily average and daily maximum concentration for the reporting period ending on December 31, 2006 was 1.638 milligrams per liter ("mg/L"), and 4.53 mg/L respectively. Additionally, the total aluminum daily average and daily maximum concentration for the reporting period ending on February 28, 2007 was 1.13 mg/L and 2.9 mg/L respectively, which exceeded the daily average 0.835 mg/L and daily maximum 1.77 mg/L permitted limits for total aluminum [TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Permit No. WQ0003686000, Effluent Limitations and Monitoring Requirements No. 1 for Outfall 002].</p>	<p>Total Assessed: \$7,750</p> <p>Total Deferred: \$1,550 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$3,100</p> <p>Total Paid to General Revenue: \$3,100</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to submit, within 60 days after the effective date of this Agreed Order, written certification of compliance with the effluent limits of TPDES Permit No. WQ0003686000. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance.</p>

Additional ID No(s): WQ0003686000

Attachment A
Docket Number: 2007-1098-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.
Payable Penalty Amount:	Six Thousand Two Hundred Dollars (\$6,200)
SEP Amount:	Three Thousand One Hundred Dollars (\$3,100)
Type of SEP:	Pre-approved
Third-Party Recipient:	Galveston Bay Foundation-“Marsh Mania”
Location of SEP:	Harris County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent will contribute to Galveston Bay Foundation “Marsh Mania” in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Galveston Bay Foundation and the Texas Commission on Environmental Quality*. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earthmoving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the direct costs of the implementation of the project, including material, equipment, and labor costs.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Mr. Bob Stokes, President
Galveston Bay Foundation
17234-A Highway 3
Wester, Texas 77598

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 26, 2007

TCEQ

DATES	Assigned	2-Jul-2007	Screening	11-Jul-2007	EPA Due	
	PCW	12-Jul-2007				

RESPONDENT/FACILITY INFORMATION

Respondent	Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.		
Reg. Ent. Ref. No.	RN100660612		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	34159	No. of Violations	1
Docket No.	2007-1098-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Enf. Coordinator	Samuel Short
Multi-Media		EC's Team	EnforcementTeam 3
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) Subtotal 1 \$5,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 55% Enhancement Subtotals 2, 3, & 7 \$2,750

Notes

A 55% enhancement is recommended for having 11 NOVs for self reported effluent data within the last five years.

Culpability

No

0% Enhancement

Subtotal 4 \$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply

0% Reduction

Subtotal 5 \$0

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary

Ordinary

N/A

X

(mark with x)

Notes

The Respondent does not meet the good faith criteria.

0% Enhancement*

Subtotal 6 \$0

Total EB Amounts
Approx. Cost of Compliance

\$120

\$2,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7

Final Subtotal \$7,750

OTHER FACTORS AS JUSTICE MAY REQUIRE

Adjustment \$0

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount \$7,750

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty \$7,750

DEFERRAL

20%

Reduction

Adjustment -\$1,550

Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$6,200

Screening Date 11-Jul-2007

Docket No. 2007-1098-IWD-E

PCW

Respondent Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34159

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN100660612

Media [Statute] Water Quality

Enf. Coordinator Samuel Short

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	11	55%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 55%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

A 55% enhancement is recommended for having 11 NOVs for self reported effluent data within the last five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 55%

Screening Date	11-Jul-2007	Docket No.	2007-1098-IWD-E	PCW																	
Respondent	Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.			Policy Revision 2 (September 2002)																	
Case ID No.	34159			PCW Revision June 26, 2007																	
Reg. Ent. Reference No.	RN100660612																				
Media [Statute]	Water Quality																				
Enf. Coordinator	Samuel Short																				
Violation Number	1																				
Rule Cite(s)	Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1) and TPDES Permit No. WQ0003686000, Effluent Limitations and Monitoring Requirements No. 1 for Outfall 002																				
Violation Description	<p>Failed to comply with the permitted effluent limits as documented during a record review conducted on June 18, 2007. Specifically, the total aluminum daily average and daily maximum concentration for the reporting period ending on December 31, 2006 was 1.638 milligrams per liter ("mg/L"), and 4.53 mg/L respectively. Additionally, the total aluminum daily average and daily maximum concentration for the reporting period ending on February 28, 2007 was 1.13 mg/L and 2.9 mg/L respectively, which exceeded the daily average 0.835 mg/L and daily maximum 1.77 mg/L permitted limits for total aluminum.</p>																				
Base Penalty				\$10,000																	
>> Environmental, Property and Human Health Matrix																					
OR	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <th colspan="3">Harm</th> </tr> <tr> <th>Release</th> <th>Major</th> <th>Moderate</th> <th>Minor</th> </tr> <tr> <td>Actual</td> <td></td> <td style="text-align: center;">x</td> <td></td> </tr> <tr> <td>Potential</td> <td></td> <td></td> <td></td> </tr> </table>					Harm			Release	Major	Moderate	Minor	Actual		x		Potential				Percent 25%
		Harm																			
	Release	Major	Moderate	Minor																	
Actual		x																			
Potential																					
>> Programmatic Matrix																					
Matrix Notes	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <th>Falsification</th> <th>Major</th> <th>Moderate</th> <th>Minor</th> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>					Falsification	Major	Moderate	Minor						Percent 0%						
		Falsification	Major	Moderate	Minor																
<div style="border: 1px solid black; padding: 5px;">Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.</div>																					
Adjustment				\$7,500																	
				\$2,500																	
Violation Events																					
Number of Violation Events 2		59 59 Number of violation days																			
mark only one with an x	daily																				
	monthly	x																			
	quarterly																				
	semiannual																				
	annual																				
	single event																				
<div style="border: 1px solid black; padding: 5px;">Two monthly events are recommended.</div>				Violation Base Penalty \$5,000																	
Economic Benefit (EB) for this violation																					
Estimated EB Amount \$120		Statutory Limit Test																			
		Violation Final Penalty Total \$7,750																			
		This violation Final Assessed Penalty (adjusted for limits) \$7,750																			

Economic Benefit Worksheet**Respondent** Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.**Case ID No.** 34159**Reg. Ent. Reference No.** RN100660612**Media** Water Quality**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$2,000	31-Dec-2006	12-Mar-2008	1.2	\$120	n/a	\$120

Notes for DELAYED costs

The estimated cost for additional oversight and sampling which could have reduced or alleviated the exceedances. Date required is the date the noncompliance started and the final date is the expected compliance date.

Avoided Costs**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs**Approx. Cost of Compliance**

\$2,000

TOTAL

\$120

Compliance History

Customer/Respondent/Owner-Operator:	CN600369375	Chusei (U.S.A.), Inc.	Classification: AVERAGE	Rating: 1.19
Regulated Entity:	RN100660612	QUEST SEPARATION TECHNOLOGIES	Classification: AVERAGE	Site Rating: 0.38
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD988071643	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	23295	
	AIR NEW SOURCE PERMITS	PERMIT	27771	
	AIR NEW SOURCE PERMITS	PERMIT	35450	
	AIR NEW SOURCE PERMITS	PERMIT	37697	
	AIR NEW SOURCE PERMITS	PERMIT	42393	
	AIR NEW SOURCE PERMITS	PERMIT	53890	
	AIR NEW SOURCE PERMITS	REGISTRATION	70701	
	WASTEWATER	PERMIT	WQ0003686000	
	WASTEWATER	EPA ID	TX0112704	
	WASTEWATER	PERMIT	TX0112704	
	WASTEWATER	PERMIT	WQ0003686000	
Location:	12500 BAY AREA BLVD, PASADENA, TX, 77507		Rating Date: 9/1/2006 Repeat Violator: NO	
TCEQ Region:	REGION 12 - HOUSTON			
Date Compliance History Prepared:	October 16, 2007			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	June 09, 2002 to June 09, 2007			

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Samuel Short Phone: (512) 239-5363

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 06/24/2002 (365298)

N/A

2 06/24/2002 (365303)

3 08/22/2002 (365317)

4 08/22/2002 (365308)

5 09/24/2002 (365313)

6 11/20/2002 (365322)

7 12/19/2002 (365326)

8 12/19/2002 (365330)

9 02/21/2003 (365282)

10 03/25/2003 (365286)

11 04/15/2003 (365291)

12 05/20/2003 (365295)

13 06/24/2003 (365299)

14 06/24/2003 (365304)

15 08/18/2003 (365309)

16 08/25/2003 (151123)

17 09/22/2003 (365314)

18 09/25/2003 (365318)

19 11/24/2003 (365323)

20 12/29/2003 (365327)

21	01/20/2004	(365331)
22	02/17/2004	(365283)
23	03/18/2004	(365287)
24	03/25/2004	(365292)
25	05/24/2004	(365296)
26	05/24/2004	(365305)
27	06/17/2004	(365300)
28	08/16/2004	(290334)
29	08/17/2004	(289937)
30	08/17/2004	(289897)
31	08/17/2004	(290458)
32	08/17/2004	(290760)
33	08/17/2004	(290003)
34	08/17/2004	(290506)
35	08/17/2004	(289919)
36	08/17/2004	(290992)
37	08/17/2004	(290663)
38	08/17/2004	(290802)
39	08/17/2004	(290024)
40	08/18/2004	(290964)
41	08/18/2004	(290983)
42	08/19/2004	(291043)
43	08/20/2004	(365310)
44	09/03/2004	(291710)
45	09/03/2004	(291691)
46	09/08/2004	(292928)
47	09/08/2004	(292129)
48	09/08/2004	(292791)
49	09/08/2004	(291999)
50	09/08/2004	(292767)
51	09/08/2004	(292161)
52	09/08/2004	(292947)
53	09/08/2004	(292021)
54	09/09/2004	(292162)
55	09/09/2004	(290975)
56	09/09/2004	(291568)
57	09/09/2004	(291537)
58	09/09/2004	(290913)
59	09/09/2004	(292200)
60	09/09/2004	(292450)
61	09/09/2004	(291203)
62	09/09/2004	(292488)
63	09/09/2004	(292160)
64	09/09/2004	(292420)
65	09/24/2004	(389189)
66	10/20/2004	(365319)
67	11/23/2004	(389190)
68	12/14/2004	(389191)
69	01/20/2005	(389192)
70	01/24/2005	(333987)
71	02/18/2005	(290345)
72	02/22/2005	(426752)
73	03/18/2005	(426753)
74	06/03/2005	(426755)
75	06/23/2005	(426754)
76	06/23/2005	(426756)
77	06/23/2005	(426757)
78	07/27/2005	(401241)
79	07/29/2005	(402206)
80	08/03/2005	(403113)
81	08/05/2005	(403892)
82	08/10/2005	(402970)
83	08/12/2005	(404726)

84	08/17/2005	(405689)
85	08/18/2005	(405745)
86	08/22/2005	(446971)
87	08/29/2005	(407192)
88	09/06/2005	(418827)
89	09/08/2005	(418630)
90	09/23/2005	(446972)
91	09/23/2005	(446973)
92	11/28/2005	(490987)
93	12/20/2005	(490988)

94	01/19/2006	(490989)
95	02/21/2006	(490984)
96	03/10/2006	(451337)
97	03/15/2006	(490985)
98	03/15/2006	(490986)
99	05/11/2006	(505561)
100	06/19/2006	(505562)
101	06/19/2006	(505563)
102	08/16/2006	(527842)
103	09/25/2006	(527843)
104	09/25/2006	(527844)
105	11/15/2006	(551454)
106	12/19/2006	(551455)
107	01/23/2007	(588398)
108	02/26/2007	(588392)
109	03/22/2007	(588393)
110	04/19/2007	(588394)
111	05/17/2007	(588395)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date	08/31/2002	(365313)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	01/31/2003	(365282)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	03/31/2003	(365291)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	05/31/2003	(365299)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	06/30/2003	(365304)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	09/30/2004	(365319)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	06/30/2005	(426757)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	01/31/2006	(490984)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)			
Description:	TWC Chapter 26 26.121(a)[G] Failure to meet the limit for one or more permit parameter			
Date	12/31/2006	(588398)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	02/28/2007	(588393)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	04/30/2007	(588395)		
Self Report?	YES		Classificatio	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)			

Description: TWC Chapter 26 26.121(a)(G)
Failure to meet the limit for one or more permit parameter

- F. Environmental audits.
N/A
 - G. Type of environmental management systems (EMSs).
N/A
 - H. Voluntary on-site compliance assessment dates.
N/A
 - I. Participation in a voluntary pollution reduction program.
N/A
 - J. Early compliance.
N/A
- Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHUSEI (U.S.A.), INC. DBA QUEST
SEPARATION TECHNOLOGIES, INC.
RN100660612

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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2007-1098-IWD-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc. ("Chusei") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and Chusei appear before the Commission and together stipulate that:

1. Chusei owns and operates an industrial organic chemical manufacturing facility located approximately one mile southwest of the intersection of State Highway 146 and Fairmont Parkway in the Bayport Industrial Park, and bordered on the east by the Southern Pacific Railroad in La Porte, Harris County, Texas (the "Facility").
2. Chusei has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Commission and Chusei agree that the Commission has jurisdiction to enter this Agreed Order, and that Chusei is subject to the Commission's jurisdiction.
4. Chusei received notice of the violations alleged in Section II ("Allegations") on or about July 10, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Chusei of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Seven Thousand Seven Hundred Fifty Dollars (\$7,750) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Chusei has paid Three Thousand One Hundred Dollars (\$3,100) of the administrative penalty and One Thousand Five Hundred Fifty Dollars (\$1,550) is deferred contingent upon Chusei's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Chusei fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Chusei to pay all or part of the deferred penalty. Three Thousand One Hundred Dollars (\$3,100) shall be conditionally offset by Chusei's completion of a Supplemental Environmental Project.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Chusei have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Chusei has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, Chusei is alleged to have failed to comply with the permitted effluent limits, in violation of TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003686000, Effluent Limitations and Monitoring Requirements No. 1 for Outfall 002, as documented during a record review conducted on June 18, 2007. Specifically, the total aluminum daily average and daily maximum concentration for the reporting period ending on December 31, 2006 was 1.638 milligrams per liter ("mg/L"), and 4.53 mg/L respectively. Additionally, the total aluminum daily average and daily maximum concentration for the reporting period ending on February 28, 2007 was 1.13 mg/L and 2.9 mg/L respectively, which exceeded the daily average 0.835 mg/L and daily maximum 1.77 mg/L permitted limits for total aluminum.

III. DENIALS

Chusei generally denies each allegation in Section II ("Allegations").

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IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Chusei pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Chusei's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc., Docket No. 2007-1098-IWD-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. Chusei shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I Paragraph 6 above, Three Thousand One Hundred Dollars (\$3,100) of the assessed administrative penalty shall be offset with the condition that Chusei implement the SEP defined in Attachment A, incorporated herein by reference. Chusei's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. It is further ordered that Chusei shall undertake the following technical requirements:

Within 60 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0003686000. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

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Water Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

4. The provisions of this Agreed Order shall apply to and be binding upon Chusei. Chusei is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. If Chusei fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Chusei's failure to comply is not a violation of this Agreed Order. Chusei shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Chusei shall notify the Executive Director within seven days after Chusei becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Chusei shall be made in writing to the Executive Director. Extensions are not effective until Chusei receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against Chusei in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Chusei, or three days after the date on which the Commission mails notice of the Order to Chusei, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

THE UNIVERSITY OF CHICAGO PRESS

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1215 EAST 58TH STREET, CHICAGO, ILL. 60637

(773) 707-3000

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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

12/7/07

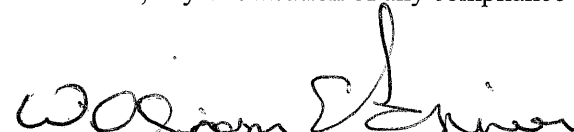
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

10/17/07

Date

William E. Sannier

Name (Printed or typed)
Authorized Representative of
Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.

President

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2007-1098-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chusei (U.S.A.), Inc. dba Quest Separation Technologies, Inc.
Payable Penalty Amount:	Six Thousand Two Hundred Dollars (\$6,200)
SEP Amount:	Three Thousand One Hundred Dollars (\$3,100)
Type of SEP:	Pre-approved
Third-Party Recipient:	Galveston Bay Foundation-“Marsh Mania”
Location of SEP:	Harris County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent will contribute to Galveston Bay Foundation “Marsh Mania” in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Galveston Bay Foundation and the Texas Commission on Environmental Quality*. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earthmoving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the direct costs of the implementation of the project, including material, equipment, and labor costs.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Mr. Bob Stokes, President
Galveston Bay Foundation
17234-A Highway 3
Wester, Texas 77598

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

